

## Message Text

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ORIGIN XMB-04

INFO OCT-01 ARA-06 ISO-00 AID-05 CIAE-00 COME-00 EB-04

FRB-01 INR-05 NSAE-00 RSC-01 TRSE-00 OPIC-06 SP-02

CIEP-01 LAB-01 SIL-01 OMB-01 /039 R

66651

DRATED BY: XMB:THOMAS P DOUGHTY

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EB/IFD/ODF:EMLINTON

ARA/EP/P:WBCORRY

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R 111407Z OCT 74

FM SECSTATE WASHDC

TO AMEMBASSY LIMA

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E.O. 11652: N/A

TAGS: EFIN, PE

SUBJECT: TRANS-ANDEAN PIPELINE PROJECT

REF: LIMA 3101

1. EXIMBANK HAS FURNISHED DEPARTMENT FOR POUCHING TO EMBASSY COPY OF EXIM'S TELEX OF OCTOBER 3, 1974, TO BARUA, CHAIRMAN OF COFIDE, REPLYING TO HIS TELEX OF SEPTEMBER 13. AS STATED TO BARUA, EXIM HAS NOT RECEIVED THE ADDITIONAL INFORMATION IT REQUESTED FROM PETROPERU DURING THE O'CONNOR/CHAPMAN/LAROCHE VISIT TO LIMA IN JULY. MOST OF ALL EXIM WANTS TO AVOID ANY ACTION THAT WILL SUPPORT A PRESUMPTION BY GOP OR ITS AGENCIES (COFIDE/PETROPERU) THAT THE BANK WILL ULTIMATELY FINANCE THE TRANS-ANDEAN PIPELINE WITH OR WITHOUT THE FURNISHING BY PERU OF THE INFORMATION HIGHLY NECESSARY FOR THE BANK TO MAKE A DETERMINATION OF THE ECONOMIC, TECHNICAL, AND FINANCIAL FEASIBILITY OF

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THE PROJECT. THE NECESSITY FOR EXIMBANK TO HAVE THIS INFORMATION

WAS AGAIN EMPHASIZED TO PERU'S MINISTER OF FINANCE DURING HIS RECENT VISIT TO EXIM. UP TO THE PRESENT IT HAS SEEMED TO EXIM THAT IT IS BEING PRESS-RELEASED INTO FINANCING THE PIPELINE PROJECT ON THE THEORY, APPARENTLY, THAT WHAT WAS GOOD ENOUGH FOR THE JAPANESE AND OTHER FINANCING SOURCE SHOULD CERTAINLY BE GOOD ENOUGH FOR EXIM.

2. RE QUERY IN PARA 6 OF REFTTEL: IN NECESSARY CASES EXIM IS PREPARED TO PROVIDE FOR A FEE ITS FINANCIAL GUARANTEE OF A LOAN FROM A NON-US SOURCE FOR FINANCING US COSTS REPEAT US COSTS. SUCH LOANS MUST BE IN AN AMOUNT, BY A LENDER AND ON TERMS, INCLUDING INTEREST RATE AND REPAYMENT, ACCEPTABLE TO EXIM. CURRENTLY, EXIM IS MAKING A STRENUOUS EFFORT TO ENCOURAGE BORROWERS TO OBTAIN THE MAXIMUM AMOUNT OF PRIVATE FINANCING OF US COSTS WITHOUT EXIM'S GUARANTEE. WHETHER AS A DIRECT LENDER OR A GUARANTOR OF FINANCING FOR US COSTS OF THE PIPELINE, EXIMBANK WILL REQUIRE A DEMONSTRATION FROM COFIDE/PETROPERU OF THE ECONOMIC, TECHNICAL, AND FINANCIAL FEASIBILITY OF THE PROJECT.      INGERSOLL

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LOANS, PIPELINES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 OCT 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** elyme  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE224592  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740290-0420  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Line Count:** 80  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN XMB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** LIMA 3101  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** elyme  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 20 SEP 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <20 SEP 2002 by WorrelSW>; APPROVED <05 MAR 2003 by elyme>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TRANS-ANDEAN PIPELINE PROJECT  
**TAGS:** EFIN, PE, XMB  
**To:** LIMA  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005